

HOUSE No. 2428

By Mr. Marzilli of Arlington, petition of J. James Marzilli, Jr., and others relative to prohibiting manufacturers from using the single sales factor apportionment formula. Revenue.

The Commonwealth of Massachusetts

PETITION OF:

J. James Marzilli, Jr. Dianne Wilkerson
David Paul Linsky John W. Scibak
Patricia D. Jehlen

In the Year Two Thousand and Five.

AN ACT PROHIBITING MANUFACTURERS FROM USING THE SINGLE SALES FACTOR APPORTIONMENT FORMULA.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 38 of chapter 63 of General Laws, as
2 appearing in the 2002 Official Edition, is hereby amended by
3 striking out subsection (c) and inserting in place thereof the
4 following:—

5 (c) If a corporation, other than a mutual fund service corpora-
6 tion to the extent of its mutual fund sales as described in subsec-
7 tion (m), has income from business activity which is taxable both
8 within and without this commonwealth, its taxable net income, as
9 determined under the provisions of subsection (a), shall be appor-
10 tioned to this commonwealth by multiplying said taxable net
11 income by a fraction, the numerator of which is the property
12 factor plus the payroll factor plus twice times the sales factor, and
13 the denominator of which is four.

1 SECTION 2. Said section 38 is further amended by striking
1 out subsections (k) and (l).